

EX PARTE OR LATE FILED

2000 West Ameritech Center Drive
4H82
Hoffman Estates, IL 60196-1025
Office 847/248-6044
Fax 847/248-6013



Michael S. Pabian
Counsel

RECEIVED

March 17, 1999

MAR 17 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

RE: CC Docket No. 96-115
Subscriber List Information (SLI)
Ex Parte

Dear Ms. Salas:

As the Commission deliberates possible action on the issue of Subscriber List Information (SLI) in CC Docket No. 96-115, Ameritech wishes to provide the following information for the Commission's consideration. Specifically, Ameritech will address the relationship between the differences that exist among listing products and the prices charged for those listing products in the marketplace. In addition, Ameritech will explain why it would be improper and counterproductive for the Commission to impose an obligation upon incumbent local exchange carriers (ILECs) to act as SLI clearinghouses.

I. Differences Between Listing Products and the Relationship to Pricing.

The Commission is aware that telephone exchange service providers typically make SLI available in two general forms, base files and updates. Base files can be characterized as a snapshot of all of a given local exchange carrier's (LEC's) SLI for a specific geographic area, at a particular point in time. Updates on the other hand represent changes to the subscriber listing database of the LEC over a given period of time.

The pricing differences that exist among LECs for similar SLI products can, in part, be explained by differences in quality or functionality of the SLI products -- i.e., the extent to which the particular SLI product is more than simply raw data. In addition, pricing differences may be explained, in part, by the value of the particular SLI product for its intended use.

No. of Copies rec'd
List A B C D E

041



a. SLI Pricing Differences Based on Quality or Functionality

Within both the SLI product categories of base files and updates, there are significant quality or functionality differences between the specific SLI products offered by LECs as the result of value-added enhancements being made to the SLI. These differences in SLI product quality or functionality may affect the cost of providing the particular SLI product as well as the relative value of a particular company's SLI product to directory publishers. Appropriately, these differences in cost and value have resulted in differences in the pricing of SLI products among companies.

Ameritech has included on Attachment I its current pricing for SLI products. In response to customer requests, Ameritech does not offer unrefined raw data. Rather, it offers value-added base files at two different rates, either a single use at \$.13 per listing or \$.25 per listing for unlimited use of the listing in building and maintaining a database. At the established prices under both options, the purchaser can choose to receive enhanced SLI for multiple NPA-NXX combinations in any of the following formats:

1. All residential listings in a single alphabetical file
2. All business listings in a single alphabetical file
3. All business and residential listings interfiled or merged into one alphabetical file
4. All business and all the residential listings, each in their own alphabetical file

Ameritech's enhanced SLI options allow a publisher to select a directory format, select an appropriate geographic scope of listings for the directory, and publish that directory with far less effort and processing than is required when such value-added options are not available. Ameritech enhances the base file listings it provides to such a degree that the SLI is in a form that is essentially "ready for the printer." In contrast, other LECs may provide SLI sorted only by individual NPA/NXX. A publisher wishing to publish a typical alphabetical or classified directory may be required to invest in significant additional processing of this type of raw SLI prior to publication. Other carriers may not offer a directory publisher the option of purchasing only residential or only business listings. A publisher who desires to publish a "business only" directory would thus be obligated to purchase more listings than it needed.

Given the variability in the types of directories and the overall competitive nature of the marketplace, Ameritech believes that a flexible, market-based approach to SLI pricing is appropriate. If the Commission were to establish a single rate for base file listings, it would have the unintended consequence of motivating providers to provide only bare minimum, raw, unrefined SLI data. Carriers that offer enhanced SLI products in response to customer requests would be penalized by being unable to charge for the value of their enhancements (enhancements that anyone could do to the raw data), especially in light of the higher cost of these products. Thus, while Ameritech does not believe it is necessary for the Commission to establish rates for any SLI products, if the Commission does elect to establish a rate for base files, that rate should be only for raw SLI that has not been enhanced (i.e., provided by individual NPA/NXX

combination and not sorted by class of service or in any other way). The availability of SLI that has not been enhanced provides a directory publisher with the option of enhancing the SLI itself using one of the numerous existing data processors to manipulate the SLI, or purchasing enhanced SLI from the LEC. LECs, therefore, should be able to price enhanced SLI on a market basis. That will provide an incentive for LECs to develop various value-added SLI products to meet these customers' needs.

b. SLI Pricing Differences Based on Use

Typically, carriers price updates at a higher rate than that charged for base files on a per listing basis. Updates may be priced differently based upon the freshness of the data and the value associated with the use of the update. Base file listings are used primarily in the publication of alphabetical directories (the purpose of the SLI requirement embodied in sec. 222(e)). Updates, on the other hand, particularly business updates, can be used for sales leads.

Ameritech offers updates to the base file in a variety of forms, on a daily, weekly, or monthly basis, with prices that reflect the value placed on those products in the marketplace. As shown in Attachment I, Ameritech's price for providing updates on a daily basis is \$1.75 per update. This price reflects the fact that daily business updates are considered valuable as sales leads. These sales leads in turn can be used to generate advertising sales of hundreds or thousands of dollars per year for a directory publisher. The decision that the directory publisher must make is whether to delay receiving this sales lead information (Ameritech offers both updates and new connects on a weekly and monthly basis as well) and pay a lower price for it, or act immediately before a competitor pursues the same sales lead. As in the case of base file SLI, Ameritech offers publishers the ability to purchase update products for business or residential customers, in as many NPA/NXX combinations as the purchaser chooses.

If the updates are being purchased primarily for the purpose of maintaining a directory data base, Ameritech offers updates on a monthly basis at only \$.50 per update. The monthly updates provide the purchaser with all the changes made to Ameritech's SLI in the desired NPA/NXX combinations for the prior four week period.

Because of the number of independent directory publishers and the fact that they publish different directories throughout the course of the year Ameritech does not believe that it would be feasible to offer updates to SLI on any basis longer than one month. The programming and administrative costs of tracking when each directory was published by an independent directory publisher and retaining all the SLI updates to the NPA/NXX combinations included in that particular directory would be prohibitive.

II. Incumbent Local Exchange Carriers Should Not Be Required to Serve as SLI Clearinghouses.

The Association of Directory Publishers (ADP) has misconstrued the requirements of sec. 222(e) beyond the language of the statute and Congress's intent by claiming that it requires a LEC to provide members of ADP with both the LEC's SLI and the SLI of other carriers -- i.e., to act as an SLI clearinghouse. Section 222(e) is very clear in that it only requires a telephone exchange service provider to "provide subscriber list information gathered in its capacity as a provider of such service ... to any person upon request for the purpose of publishing directories in any format." Obviously, a LEC gathers only the SLI of its own subscribers "in its capacity as provider of such service" because it provides "such service" (telephone exchange service) only to its own subscribers. Therefore, a reasonable reading of sec. 222(e) would not lead to the imposition of an obligation on the LEC to serve as an SLI clearinghouse by providing SLI of other local carriers (information that any directory publisher could obtain directly from the those other carriers).

Moreover, sec. 222(e) imposes the obligation to provide SLI equally on all exchange carriers, not just incumbents. There is no statutory basis to require only ILECs to provide this service and, therefore, no logic in requiring all ILECs to provide every carrier's SLI.

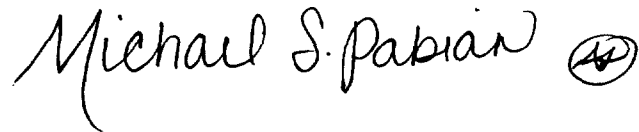
Also, such a requirement would be inconsistent with other aspects of the 1996 Act. It is clear that SLI is not a "network element" as that term is defined in the Act. But looking at Congress's requirements for network elements is instructive. For network elements -- the fundamental network building blocks that many regard as essential for competitors' viability and of which many view ILECs to be the monopoly sources -- Congress was careful to obligate an ILEC to provide a particular element only if failure to do so would impair the requestor's ability to provide a telecommunications service (see sec. 251(d)(2)(B)). The Supreme Court recently insisted that this requirement must be given "some substance" which would not be achieved "by disregarding entirely the availability of elements outside the network." *AT&T, et al. v. Iowa Utilities Board, et al.*, 67 U.S.L.W. 4104, 1999 U.S. LEXIS 903 (decided January 25, 1999). It would be completely illogical, then, to interpret sec. 222(e) as requiring an ILEC to provide the SLI of other carriers when failure to do so would not in any way impair the requestor's ability to publish a directory since the requestor could obtain the SLI directly from each carrier.

Finally, the source of the most reliable and current SLI for the subscribers of a given carrier will always be that carrier. If ADP is truly concerned about the quality and accuracy of the information in their directories, rather than having the cost of their data gathering activities subsidized by the ILECs, they should be asking the Commission to ensure that all exchange carriers comply with sec. 222(e) and provide their own SLI to all requesting directory publishers.

Ameritech's directory affiliate has entered into contracts with over 50 local exchange carriers (including Ameritech) to obtain each carrier's SLI for the purpose of publishing its directories. Surely, there is nothing that prevents ADP's members from undertaking similar effort (or ADP itself from undertaking the effort on behalf of its members). Of course, nothing should prevent any ILEC or any other data provider that has undertaken that effort from selling that information to others at a market price that reflects the value of that effort.

Should any further information be required, please feel free to contact me.

Sincerely,

Michael S. Pabian 

ATTACHMENT I

Ameritech Listing Information Pricing As of March 12, 1999

Base File Listings:

Per listing price for Base File Listings for single publication of listing \$.13

Per listing price for Base File Listings for publishing
listings in multiple directories for use in building
and maintaining a database \$.25

New Connects: Includes subscriber information on new installs
and change of address orders.

	Monthly	Weekly	Daily
Per listing	\$.15	\$.75	\$1.25

Updates: Includes any changes in subscriber information
through any completed service order activity.

	Monthly	Weekly	Daily
Per listing	\$.50	\$1.25	\$1.75

Advance Listing Orders: Includes any changes in subscriber
information as a result of any pending service order
activity.

	Monthly	Weekly	Daily
Per listing	\$.15	\$.75	\$1.25